

TAX INCREMENT REINVESTMENT ZONE NUMBER TWO CITY OF ARLINGTON

PRELIMINARY PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN

September 20, 2005

TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY	
Introduction	1
Description of Location	2
The TIRZ Concept	3
Distribution of Public Infrastructure Costs	3
Proposed Allocation of Reimbursement	5
Benefit to the City	5
PROJECT PLAN	
I. Map Showing Existing Conditions and Proposed Improvements	8
II. Proposed Changes of Municipal Ordinances	8
III. List of Estimated Non-Project Costs	9
IV. Method of Relocating Persons to be Displaced	9
REINVESTMENT ZONE FINANCING PLAN	
I. List of Estimated Project Costs	10
II. Statement of Proposed Public Works or Public Improvements	11
III. Economic Feasibility Study	11
IV. Estimated Amount of Bonded Indebtedness	11
V. Time When Costs or Obligations Are Incurred	11
VI. Financing Methods and Expected Sources of Revenue	11
VII. Current Total Appraised Value of Property In Zone	12
VIII. Estimated Captured Value of Zone In Each Year Of Existence	12
IX. Duration of the Zone	12

EXHIBITS

Page

MAPS

Map A	Existing Uses and Conditions Map	13
Map B	Proposed Land Use Map	14

APPENDICES

Table A	Distribution of Public Infrastructure Costs
Schedule A	Residential Buildout Schedule
Schedule B	Commercial Buildout Schedule
Schedule C	Projected Assessed Taxable Valuations
Schedule D	Projected Zone Revenues
Schedule E	Projected Application of Bond Proceeds and Other Revenues

ECONOMIC FEASIBILITY STUDY

Executive Summary

Terms Used in This Document

TIF Tax Increment Financing

TIRZ Tax Increment Reinvestment Zone (In Texas, TIF and TIRZ are used interchangeably. TIRZ is the term used in statute.)

Zone City of Arlington Tax Increment Reinvestment Zone Number Two

Property Tax Timeline

Year 1: Development occurs. Property tax assessments are based on property value as of January 1. Since the new development occurs after this date, it is not included in the assessment for Year 1.

Year 2: Assessment includes the new development. Property tax bills are due next January.

Year 3: New property tax revenues collected.

Thus, two years lapse before a municipality collects property taxes from new development.

Estimates

The figures used in this document for property valuations and tax revenues are projections based on the best available information. A conservative inflation rate of 1.5%, beginning in 2006, was used. Future changes in the economy and in municipal tax rates could result in variances from these projections.

EXECUTIVE SUMMARY

Introduction

The proposed Tax Increment Reinvestment Zone (TIRZ) Number Two consists of a mixed-use development on approximately 700 acres of a 2,000-acre site known as Lakes of Bird's Fort (formerly Lakes of Arlington). The project includes approximately \$398 million in residential development, \$320 million in commercial development, and \$105 million in public infrastructure improvements. The total value of the proposed development is \$823 million.

In 2002, Economics Research Associates (ERA) performed a study to determine the existing conditions as well as the fiscal and economic impact of alternative development scenarios for the Lakes of Bird's Fort site. ERA's study identified the need for extensive infrastructure improvements on the Bird's Fort property before any significant development could occur.

This land has enormous physical challenges as a result of previous mining operations and aborted development activities. Additionally, the majority of the site lies within the FEMA 100 year flood plain, making it impossible to develop without mitigation. The property requires significant excavation and grading to mitigate the damage from the mining operations and prior unfinished development activities, and to bring the property into compliance with the existing Corp of Engineers standards for this particular flood plain area. The fact that this property has had seven owners since 1980 illustrates the difficulty in developing this site.

However, the ERA study emphasized that this area holds great potential for new commercial office space and light industrial use. In order for this potential to be realized, ERA stressed that transportation improvements be made to improve access. The proposed development satisfies this requirement by including construction of several roads and two bridges. The proposal also makes development of commercial property a central feature, with nearly \$320 million of commercial space coming online over the next 15 years.

ERA also concluded that, given Arlington's current and projected population growth, the projected strong job growth for the entire Dallas – Fort Worth region, and a relatively older housing stock within Arlington, there will be a strong demand for new housing in the Arlington area. In addition to ERA's predictions, the North Central Council of Governments projects the region to grow by more than 4 million people, to 9.1 million, by 2030. This influx of new residents will create demand for new businesses to locate in the area and provide places for Bird's Fort residents to shop and work. The combination of new transportation infrastructure, new commercial property, and new residents will result in a bustling synergy for Arlington.

In order for the site to be developed to its highest and best use, a TIRZ is necessary to help pay for a portion of the infrastructure costs. The majority of the costs eligible for reimbursement from the TIRZ come from three sources:

- costs related to dirt work and storm water detention that pertain to flood plain issues;
- costs of major roadway improvements, both onsite and offsite;
- costs associated with the new Trinity River Bridge.

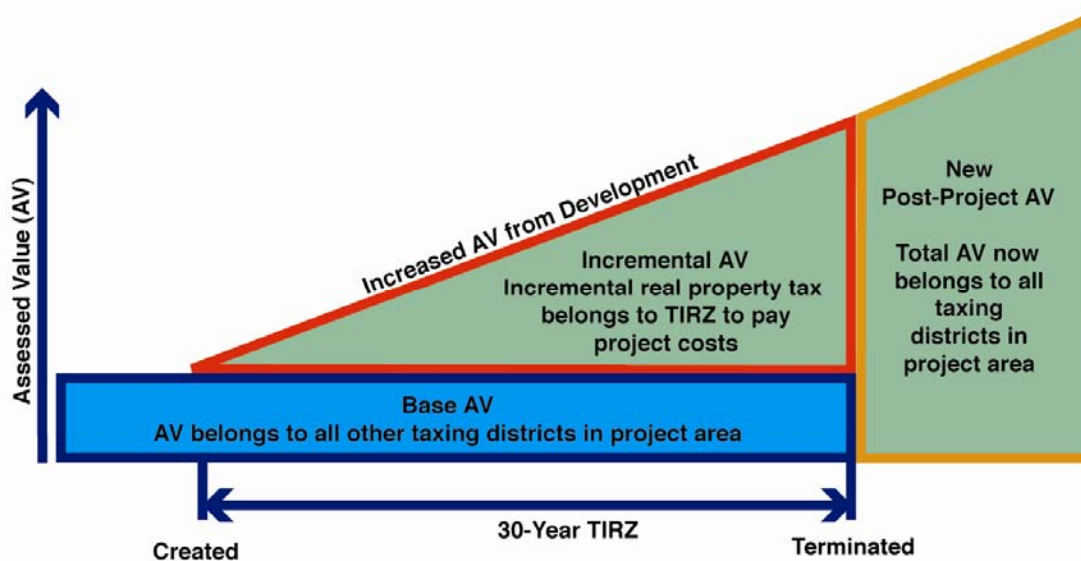
Description of Location

As proposed, the TIRZ would be bounded generally by the Trinity River, Collins/Highway 157, SH 360, and Trinity Blvd (see attached Map A). All of the land, except for a few acres at the northern edge (which lies in Fort Worth), is contained within the City of Arlington.

The TIRZ Concept

A tax increment reinvestment zone is a financing tool created by the State Legislature to help cities develop or redevelop an area that would not otherwise experience such revitalization on its own. A TIRZ may be created when a municipality determines that conditions exist which substantially impair its sound growth. The Lakes of Bird's Fort property clearly meets this criterion, due to the Trinity River flood plain. Until infrastructure improvements are made to the property, it will not be developed.

Upon creation of the Zone, the tax increment base is established. The base value is the total appraised value of real property located in the Zone for the year in which it is created. As new development occurs in the Zone, the appraised real property value will increase and property taxes will rise. The growth in property taxes (the tax increment) is captured by the Zone and deposited in a fund used to finance improvements in the Zone. After a defined period of time (usually 30 years), the TIRZ dissolves and the city and other participating taxing jurisdictions again receive all of the property taxes collected from this property. The following chart illustrates the flow of property taxes for a typical TIRZ.

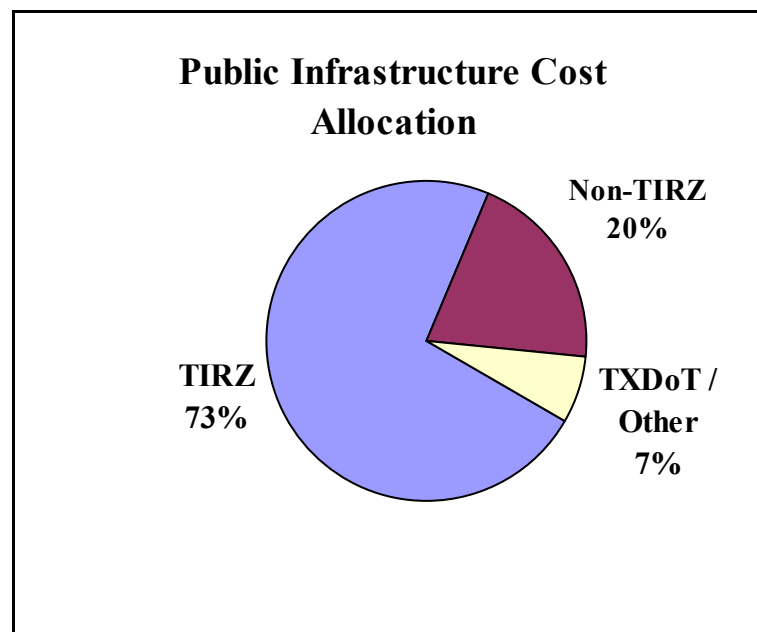


Distribution of Public Infrastructure Costs

The following table summarizes the public infrastructure costs to be financed by the proposed TIRZ and by entities other than the TIRZ. In this proposal, the developer would fund project costs listed under Developer TIRZ Projects and then be reimbursed by the TIRZ at such time as the appropriate level of assessed valuation is in place. See Table A for an

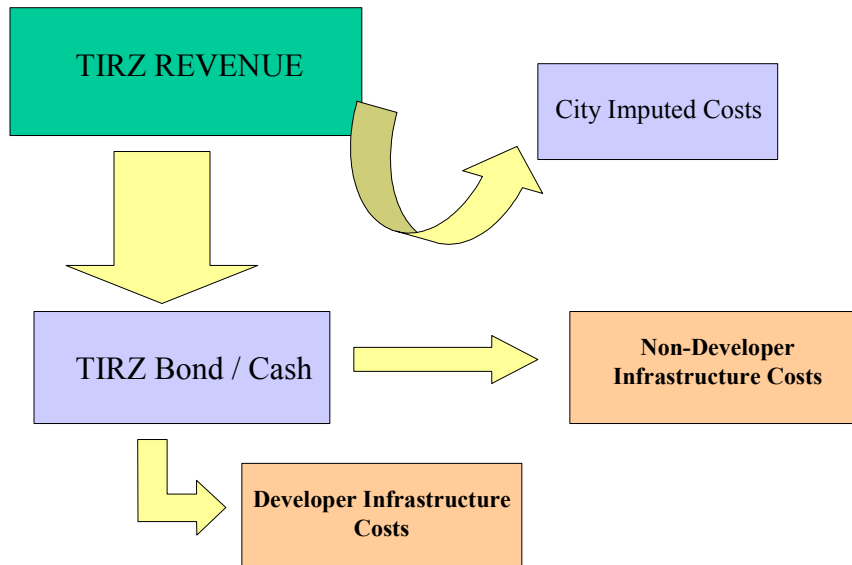
itemized list of costs per project phase. Project costs include an annual inflation factor of 1.5%. Note that each phase represents one year of development.

Public Infrastructure Costs					
	PROPOSED DEVELOPER TIRZ PROJECTS	PROPOSED NON-DEVELOPER TIRZ PROJECTS	NON-TIRZ PROJECT COSTS	TXDOT AND/OR OTHER FUNDING	TOTAL
PHASE I	\$ 13,517,592	\$ -	\$ 3,499,456	1,062,823	\$ 18,079,871
PHASE II	\$ 7,152,960	\$ -	\$ 2,259,646	-	\$ 9,412,605
PHASE III	\$ 1,463,043	\$ -	\$ 1,905,562	-	\$ 3,368,605
PHASE IV	\$ 10,031,559	\$ 1,950,000	\$ 3,244,814	4,579,003	\$ 19,805,376
PHASE V	\$ 1,071,460	\$ -	\$ 3,319,583	-	\$ 4,391,044
PHASE VI	\$ 2,670,817	\$ -	\$ 2,697,844	-	\$ 5,368,661
PHASE VII	\$ 1,712,571	\$ 15,457,124	\$ 2,747,697	941,528	\$ 20,858,920
PHASE VIII	\$ 1,545,081	\$ -	\$ 1,676,517	-	\$ 3,221,598
PHASE IX	\$ 960,467	\$ 19,106,324	\$ 72,659	306,538	\$ 20,445,987
TOTAL	\$ 40,125,548	\$ 36,513,448	\$ 21,423,779	\$ 6,889,891	\$ 104,952,666
PERCENTAGE	38%	35%	20%	7%	100%



Proposed Allocation of Reimbursement

Schedule A represents the residential buildout schedule and is based on the project phasing plan provided by the Developer. Schedule B represents the Developer's anticipated schedule for commercial development. Schedule C represents projected annual taxable value based on TIRZ participation by the various taxing jurisdictions. Schedule E provides detailed information on projected bond sales for the proposed TIRZ. Property values have been adjusted for an estimated annual inflation rate of 1.5%.



The Developer would be paid interest at a rate equal to the bond rate, for a maximum of five years. These numbers were determined assuming a bond rate of 5.5%.

Benefit to the City

New Taxes and Fees

The size of the residential and commercial development being proposed by LOBF would represent a significant economic stimulus for the Arlington area, both in terms of new residents and new city revenue. While the TIRZ would temporarily utilize the increase in real property tax revenue above the base, the City would receive an estimated \$54.1 million in new sales tax revenue and \$19.2 million in new franchise fee revenues over the 30-year period. The new sales tax revenue includes both taxes generated at commercial establishments located in the TIRZ, as well as taxes generated by residents of the Zone at businesses located outside the Zone but inside the City. The new franchise fee revenue

includes the extra fees charged to homeowners and businesses for use of public utilities, such as electricity, gas, cable, garbage, water, and telephone.

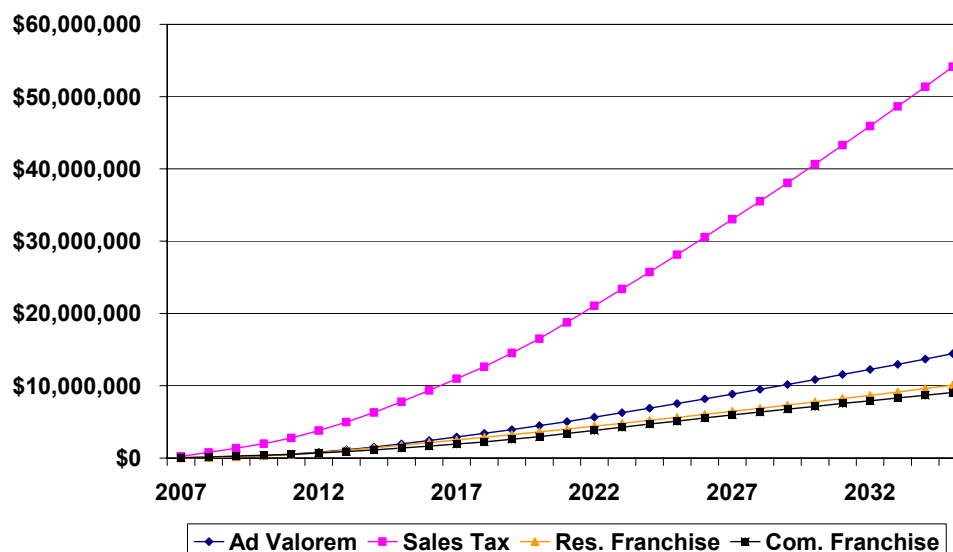
The ad valorem tax retained from TIRZ revenue represents the portion of incremental revenue from taxes on real property that the city will retain. Note that the figures below do not include any revenues derived from taxes on personal property and inventory.

The table below shows the amount of estimated taxes and fees that the City of Arlington would earn or retain over the 30-year life of the proposed TIRZ. The total from all sources over the 30-year period is approximately \$87 million. The taxes and fees include an inflation adjustment of 1.5% annually.

New Taxes and Fees to City of Arlington	
Sales Tax Revenues	\$ 54,146,976
Residential Franchise Fee Revenues	\$ 10,092,539
Commercial Franchise Fee Revenues	\$ 9,064,383
Ad Valorem Tax Retained from TIRZ Revenue	\$ 14,436,571
Total Estimated Taxes and Fees to the City	\$ 87,740,469

The flow of monies to the city from taxes and fees over the duration of the proposed TIRZ is illustrated in the chart below.

Cumulative Totals of Estimated Funds to the City
Over 30 Years, City Would Receive \$87 Million



Shielded From Risk

The developer provides the initial funding for the developer project costs, and only receives reimbursement from the TIRZ to the extent that the projected development occurs. The source of the reimbursement would be the new real property tax revenue generated from the development. In this way, the taxing jurisdictions are shielded from risk.

A Trinity River Bridge, providing a much-needed major corridor between Trinity Boulevard throughout the Lakes of Bird's Fort development and the City of Arlington's entertainment district, is anticipated to be built in Phases VII and IX (years 7 and 9 of the development). To insure that sufficient tax increment revenue exists to pay for the Trinity River Bridge, the development agreement between the TIRZ and the developer will stipulate that certain performance goals must be met by the developer in order to receive reimbursement. Namely, the developer will be required to meet targets for both residential and commercial development.

PROJECT PLAN

INTRODUCTION

This document constitutes the Preliminary Project Plan and Reinvestment Zone Financing Plan for the Tax Increment Reinvestment Zone Number Two, City of Arlington, as required by Chapter 311 of the Texas Tax Code. The purpose of the Zone is to finance reimbursements for costs associated with flood plain mitigation (excavation), construction of major roadways and the Trinity River Bridge, storm sewer development, intersection improvements, a transit station, and other specific project costs. The proposed reinvestment zone includes open land located in the Trinity River flood plain, which could not be developed but for the creation of such a zone.

Expenditures associated with the design and construction of public infrastructure, as well as other specific project-related costs, will be funded by tax increment revenues derived from increases in property values resulting from the new development.

I. MAP SHOWING EXISTING USES AND CONDITIONS OF REAL PROPERTY IN THE ZONE AND MAP SHOWING PROPOSED IMPROVEMENTS TO AND PROPOSED USES OF PROPERTY

The TIRZ includes approximately 2,000 acres of undeveloped land within the City of Arlington. The property is generally bounded by the Trinity River, Collins/Highway 157, SH 360, and Trinity Boulevard. The land is currently undeveloped and vacant.

Map A, attached to the back of this document, shows the current condition of the property. Map B displays the proposed improvements and uses of the property after the proposed development occurs.

II. PROPOSED CHANGES OF ZONING ORDINANCES, THE MASTER PLAN OF THE MUNICIPALITY, BUILDING CODES, AND OTHER MUNICIPAL ORDINANCES

All construction will be done in conformance with existing building code regulations of the City of Arlington and Tarrant County. There are no proposed changes of any City ordinance, master plan, or building codes.

III. LIST OF ESTIMATED NON-PROJECT COSTS

Non-project costs include those development items that will be funded by the developer and for which no tax increment reimbursement is provided.

Ballpark Way is a road that will be built to service the development. Half of the costs associated with Ballpark Way are non-project costs and the other half will be borne by the TIRZ. It is anticipated that the non-project cost portion of Ballpark Way will be funded by the Texas Department of Transportation (TXDOT) and/or other funding sources. It also expected that the non-project component of the Transit Station will be paid for by TXDOT and/or other funding sources.

Residential and Commercial Excavation refers to the extensive work that must be performed to protect this development from flooding. Single Family Infrastructure refers to the water, sewer, and drainage costs associated with the residential development.

The following table displays the non-project costs. See Table A in the Exhibits section for more information.

Non-Project Items	Estimated Cost	Non-Project Cost %
Ballpark Way	\$ 4,939,891	50%
Residential Excavation	\$ 1,080,000	25%
Commercial Excavation	\$ 1,577,775	10%
Single Family Infrastructure	\$18,766,004	100%
Transit Station	\$ 1,950,000	50%
Total	\$28,313,670	

IV. STATEMENT OF METHOD OF RELOCATING PERSONS TO BE DISPLACED AS A RESULT OF IMPLEMENTING THE PLAN

As the land within the TIRZ is vacant, there will be no displacement of residents.

REINVESTMENT ZONE FINANCING PLAN

I. LIST DESCRIBING THE ESTIMATED PROJECT COSTS OF THE ZONE, INCLUDING ADMINISTRATIVE EXPENSES

The following list itemizes the estimated infrastructure project costs for the Zone. It is anticipated that the developer will advance \$40.1 million in funds for a portion of the public improvements and will be reimbursed as provided in separate agreements between the developer and the TIRZ. In addition, the City of Arlington will use TIRZ financing of \$36.5 million for certain public improvements and will be reimbursed by the TIRZ. It is anticipated that the TIRZ will incur bond financing costs associated with the projects. Bond financing costs have not been included in the list below. Line item amounts may be adjusted with approval of the Zone Board of Directors. See Table A in the Exhibits section for more information.

List of Project Items	Estimated Cost	Project Cost %
Developer Project Costs		
Bird's Fort Boulevard	\$ 2,911,662	100%
Ballpark Way	\$ 4,939,891	50%
Sloan Journey Way	\$ 3,664,789	100%
Residential Excavation	\$ 3,240,000	75%
Commercial Excavation	\$ 14,199,972	90%
Intersection Improvements	\$ 1,170,076	100%
Additional Storm Sewer Development	\$ 3,012,719	100%
Fire Station Construction and Equipment	\$ 2,284,500	100%
TRE Bridge	\$ 4,701,939	100%
Subtotal	\$ 40,125,548	
Non-Developer Project Costs		
Transit Station	\$ 1,950,000	50%
Trinity River Bridge	\$ 29,832,179	100%
Bird's Fort Acquisition/Development	\$ 4,731,269	100%
Subtotal	\$ 36,513,448	
Combined Cost of TIRZ Project Items	\$ 76,638,996	
Engineering (10%)	\$ 7,663,900	
Contingency (15%)	\$ 11,495,849	
Zone Creation	\$ 120,000	
Zone Administration for Duration	\$ 500,000	
Total Project Costs	\$ 96,418,745	

II. STATEMENT LISTING THE KIND, NUMBER, AND LOCATION OF ALL PROPOSED PUBLIC WORKS OR PUBLIC IMPROVEMENTS IN THE ZONE

The public infrastructure improvements that the TIRZ is designed to facilitate will be located throughout the Zone. These improvements will provide public infrastructure to a commercial and residential community. See Map B in the Exhibits section for the location of the proposed improvements.

III. ECONOMIC FEASIBILITY STUDY

Economic Research Associates (ERA) studied the economic viability of developing the Lakes of Bird's Fort site. It concluded that there is a strong demand for new housing and new businesses in the Arlington area. The Lakes of Bird's Fort property is well-positioned to meet some of this demand.

IV. THE ESTIMATED AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED

The estimated amount of bonded indebtedness to be incurred by the Zone is approximately \$61,276,989, as shown in Schedule E.

V. THE TIME WHEN RELATED COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED

The time when related costs or monetary obligations are to be incurred is a function of the availability of TIRZ revenues. Schedule D shows the time when TIRZ funds are expected to be available to pay project costs.

VI. A DESCRIPTION OF THE METHODS OF FINANCING ALL ESTIMATED PROJECT COSTS AND THE EXPECTED SOURCES OF REVENUE TO FINANCE OR PAY PROJECT COSTS, INCLUDING THE PERCENTAGE OF TAX INCREMENT TO BE DERIVED FROM THE PROPERTY TAXES OF EACH TAXING UNIT THAT LEVIES TAXES ON REAL PROPERTY IN THE ZONE

Description of the Methods of Financing

In accordance with Section 311.015 of the Tax Increment Financing Act, the City may issue tax increment bonds or notes, the proceeds of which may be used to pay project costs on behalf of the Zone. If such bonds are issued, bond proceeds shall be used to provide for the project-related costs outlined in this plan. When appropriate, the developer will advance project-related costs and be reimbursed through the issuance of bonds, notes, or other obligations, according to the terms of the development agreement.

Sources of Tax Increment Revenue

The tax increment revenue necessary to pay the project costs is expected to come from increased property values in the Zone due to the construction of new homes and commercial buildings. Schedules A and B display the projected residential and commercial buildout schedules. The projected assessed valuations resulting from the construction are shown in Schedule C. Schedule D presents the estimated incremental property tax revenues associated with the development. These new revenues will be used to pay for Zone costs.

This plan is based on taxing jurisdictions contributing 90% of their collected incremental tax revenue to the Zone.

Taxing Unit	Total Tax Rate	Tax Rate Dedicated	% Dedicated
City of Arlington	\$ 0.6480/\$100	\$ 0.5832/\$100	90%
Tarrant County	\$ 0.2725/\$100	\$ 0.2453/\$100	90%
Tarrant County College	\$0.13938/\$100	\$0.12544/\$100	90%
Tarrant County Hospital	\$ 0.2324/\$100	\$ 0.2092/\$100	90%

VII. THE CURRENT TOTAL APPRAISED VALUE OF TAXABLE REAL PROPERTY IN THE ZONE

The total current appraised value within the Zone is \$8,857,717.

VIII. THE ESTIMATED CAPTURED VALUE OF THE ZONE DURING EACH YEAR OF ITS EXISTENCE

The estimated captured appraised value of the TIRZ during each year of its existence is shown in Schedule C.

IX. DURATION OF THE ZONE

The duration of the Zone is 30 years. The TIRZ will take effect on the date it is created, and it is anticipated that the City Council will establish January 1, 2006 as the base year of the TIRZ. The TIRZ will terminate on December 31, 2035, or the date when all project costs are paid and any debt is retired, or by a subsequent city ordinance terminating the Zone.

MAP A: PROPOSED TIRZ BOUNDARIES

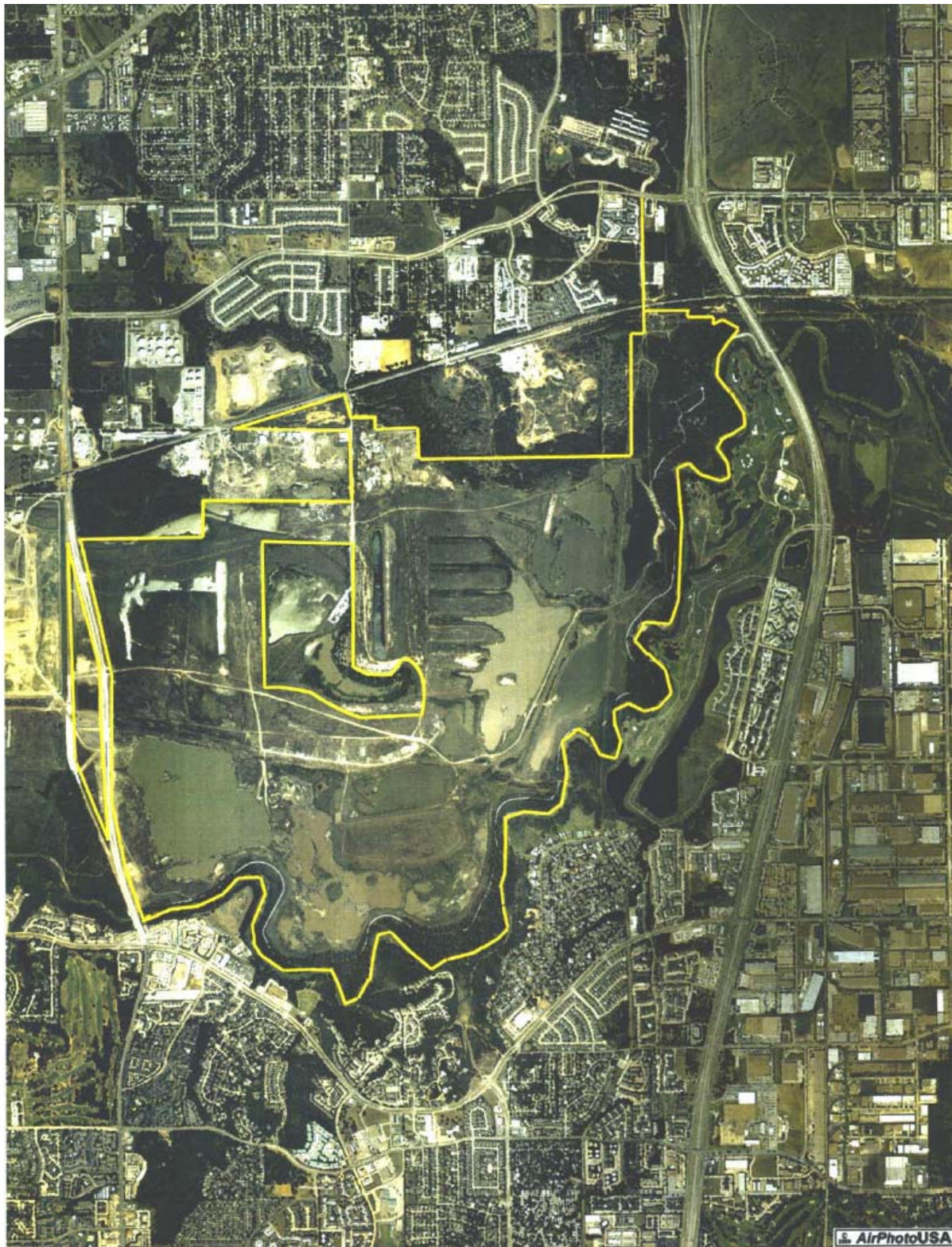


TABLE A - REVISED BY HAWES HILL CALDERON
9/20/2005

**LAKES OF BIRD'S FORT
DISTRIBUTION OF PUBLIC INFRASTRUCTURE COSTS**

	Proposed Developer TIRZ	Proposed Non- Developer TIRZ	Non-TIRZ Project Costs	TXDoT and/or Other Funding	Total	Note:
Phase I						
Bird's Fort Boulevard-2 Lanes	2,141,873					1. Ballpark Way is split 50%/50% between TIRZ & TXDoT / Other
Ballpark Way-2 Lanes (South)	1,062,823			1,062,823		
Sloan Journey Way-2 Lanes	2,325,069					2. Bird's Fort Blvd. and Sloan Journey Way are paid by TIRZ
Residential Excavation	3,240,000		1,080,000			3. Residential Excavation is split 75%/25% between TIRZ & Non-TIRZ
Commercial Excavation	4,347,540		483,060			4. Commercial Excavation is split 90%/10% between TIRZ & Non-TIRZ
Intersection Improvements	106,080					5. Intersection Improvements are paid by TIRZ
Additional Storm Sewer Development	294,207					
Single Family (50 ac)			1,936,396			
Subtotal	13,517,592	-	3,499,456	1,062,823	18,079,871	
Phase II						
Fire Station Construction	1,872,500					
Fire Engine	412,000					
Commercial Excavation	4,339,125		482,125			
Intersection Improvements	217,291					
Additional Storm Sewer Development	312,043					
Single Family (50ac)			1,777,521			
Subtotal	7,152,960	-	2,259,646	-	9,412,605	
Phase III						
Bird's Fort Boulevard-2 Lanes	769,789					
Commercial Excavation	403,333		44,815			
Additional Storm Sewer Development	289,921					
Single Family (50 ac)			1,860,747			
Subtotal	1,463,043	-	1,905,562	-	3,368,605	
Phase IV						
Ballpark Way-4 Lanes (Ft. Worth)	960,885			960,885		
Ballpark Way-4 Lanes (North)	662,242			662,242		
Ballpark Way-4 Lanes (South)	1,005,876			1,005,876		
Transit Station		1,950,000		1,950,000		
TRE Bridge	4,701,939					
Commercial Excavation	2,070,443		230,049			
Intersection Improvements	196,755					
Additional Storm Sewer Development	433,419					
Single Family (75 ac)			3,014,765			
Subtotal	10,031,559	1,950,000	3,244,814	4,579,003	19,805,376	
Phase V						
Commercial Excavation	429,852		47,761			
Intersection Improvements	112,589					
Additional Storm Sewer Development	529,019					
Single Family (68 ac)			3,271,822			
Subtotal	1,071,460	-	3,319,583	-	4,391,044	
Phase VI						
Sloan Journey Way-2 Lanes	1,339,720					
Commercial Excavation	765,949		85,105			
Intersection Improvements	176,847					
Additional Storm Sewer Development	388,301					
Single Family (75 ac)			2,612,739			
Subtotal	2,670,817	-	2,697,844	-	5,368,661	
Phase VII						
Ballpark Way-2 Lanes (Ft.Worth)	173,169			173,169		
Ballpark Way-2 Lanes (North)	144,644			144,644		
Ballpark Way-2 Lanes (Green Oaks)	623,715			623,715		
Trinity River Bridge (2 Lanes)		15,457,124				
Commercial Excavation	255,866		28,430			
Intersection Improvements	115,992					
Additional Storm Sewer Development	399,184					
Single Family (65 ac)			2,719,268			
Subtotal	1,712,571	15,457,124	2,747,697	941,528	20,858,920	
Phase VIII						
Commercial Excavation	933,934		103,770			
Intersection Improvements	244,521					
Additional Storm Sewer Development	366,625					
Single Family (75 ac)			1,572,747			
Subtotal	1,545,081	-	1,676,517	-	3,221,598	
Phase IX						
Bird's Fort Acquisition/Development		4,731,269				
Commercial Excavation	653,929		72,659			
Trinity River Bridge (2 Lanes)		14,375,055				
Ballpark Way-2 Lanes (Green Oaks)	306,538			306,538		
Subtotal	960,467	19,106,324	72,659	306,538	20,445,987	
Total	40,125,548	36,513,448	21,423,779	6,889,891	104,952,666	
Percentage	38.2%	34.8%	20.4%	6.6%	100%	

SCHEDULE A

**TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF ARLINGTON
LAKES OF BIRD'S FORT
Residential Buildout Schedule (In Thousands)**

	2006		2007		2008		2009		2010		2011		2012		2013		2014	
	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)
Residential Project Values																		
SINGLE FAMILY																		
Phase 1			92	\$ 21,326	92	\$ 21,646												184
Phase 2					98	\$ 23,057	98	\$ 23,403										196
Phase 3							77	\$ 18,388	78	\$ 18,906								155
Phase 4							40	\$ 9,552	147	\$ 35,631	20	\$ 4,920						207
Phase 5											121	\$ 29,769	122	\$ 30,465				243
Phase 6											84	\$ 20,666	103	\$ 25,721				258
Phase 7															71	\$ 17,996		248
Phase 8															124	\$ 31,429	124	\$ 31,901
															30	\$ 7,604	101	\$ 25,984
																		131
Total Home Sales	-		92		190		215		225		225		225		225		225	1622
Total Captured Value		\$0		\$21,326		\$44,703		\$51,343		\$54,538		\$55,356		\$56,186		\$57,029		\$57,884
Cumulative Captured Value		\$0		\$21,326		\$66,028		\$117,372		\$171,909		\$227,265		\$283,451		\$340,480		\$398,364

Note:

1. Captured value is presented in thousands of dollars.
2. Projected value of home construction based on figures provided by developer. Inflation assumed to be 1.5%, beginning in 2006.
3. Home construction in a calendar year results in captured appraised value in the following tax year.

SCHEDULE B

**TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF ARLINGTON
LAKES OF BIRD'S FORT
Commercial Buildout Schedule (In Thousands)**

	2006		2007		2008		2009		2010		2011		2012		2013		2014		Subtotal
		Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	
Commercial Project Values																			
Light Industrial			632	\$ 13,014	632	\$ 13,209	632	\$ 13,405	632	\$ 13,606					653	\$ 14,721	653	\$ 14,942	
Community Service			653	\$ 22,719	653	\$ 23,060					359	\$ 13,262	359	\$ 13,461	261	\$ 9,937	261	\$ 10,086	
Total Captured Value		\$0		\$35,733		\$36,269		\$13,405		\$13,606		\$13,262		\$13,461		\$24,658		\$25,028	\$175,421
Cumulative Captured Value		\$0		\$35,733		\$72,002		\$85,407		\$99,013		\$112,275		\$125,736		\$150,394		\$175,421	

CONTINUED

	2015		2016		2017		2018		2019		2020		2021		2022		2023		TOTAL
	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	Square Feet (K)	Captured Value (K)	
Commercial Project Values																			
Light Industrial					697	\$ 16,666	697	\$ 16,916			762	\$ 19,061	762	\$ 19,347					
Community Service	261	\$ 10,237	261	\$ 10,391					610	\$ 25,352			610	\$ 26,118					
Total Captured Value		\$10,237		\$10,391		\$16,666		\$16,916		\$25,352		\$19,061		\$45,465		\$0		\$0	\$319,509
Cumulative Captured Value		\$185,658		\$196,049		\$212,715		\$229,631		\$254,983		\$274,044		\$319,509		\$319,509		\$319,509	

Note:

1. Captured value is presented in thousands of dollars.
2. Projected value of commercial construction based on figures provided by developer. Inflation assumed to be 1.5%, beginning in 2006.
3. School Site and Neighborhood Service are not included, since they are not taxable.

SCHEDULE C

TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF ARLINGTON
Projected Assessed Valuations

	Incremental	Residential	20%	Senior								City	County	College	Hospital
Tax	Residential	Cumulative	City	No. of	Cum.	Citizens Exemption					Cumulative	Projected	Projected	Projected	Projected
Roll	Assessed	Assessed	Homestead	Homes	No. of	Number	City	County	College	Hospital	Commercial	Taxable	Taxable	Taxable	Taxable
Jan 1	Valuation	Valuation	Exemption	Added	Homes	Homes (1)	Amount (2)	Amount (3)	Amount (4)	Amount (5)	Valuation	Valuation	Valuation	Valuation	Valuation
2006															
2007	\$ -	\$ -	\$ -	0	-	-	\$ -	\$ -	\$ -	\$ -		-	-	-	-
2008	\$ 21,325,658	\$ 21,325,658	\$ (4,265,132)	92	92	4.6	\$ (276,000)	\$ (230,000)	\$ (230,000)	\$ (230,000)	\$ 35,732,994	52,517,520	56,828,651	56,828,651	56,828,651
2009	\$ 44,702,751	\$ 66,028,408	\$ (13,205,682)	190	282	14.1	\$ (846,000)	\$ (705,000)	\$ (705,000)	\$ (705,000)	\$ 72,001,982	123,978,708	137,325,390	137,325,390	137,325,390
2010	\$ 51,343,462	\$ 117,371,870	\$ (23,474,374)	215	497	24.9	\$ (1,491,000)	\$ (1,242,500)	\$ (1,242,500)	\$ (1,242,500)	\$ 85,407,004	177,813,499	201,536,373	201,536,373	201,536,373
2011	\$ 54,537,503	\$ 171,909,372	\$ (34,381,874)	225	722	36.1	\$ (2,166,000)	\$ (1,805,000)	\$ (1,805,000)	\$ (1,805,000)	\$ 99,013,101	234,374,599	269,117,473	269,117,473	269,117,473
2012	\$ 55,355,565	\$ 227,264,938	\$ (45,452,988)	225	947	47.4	\$ (2,841,000)	\$ (2,367,500)	\$ (2,367,500)	\$ (2,367,500)	\$ 112,275,187	291,246,137	337,172,625	337,172,625	337,172,625
2013	\$ 56,185,899	\$ 283,450,836	\$ (56,690,167)	225	1,172	58.6	\$ (3,516,000)	\$ (2,930,000)	\$ (2,930,000)	\$ (2,930,000)	\$ 125,736,205	348,980,874	406,257,041	406,257,041	406,257,041
2014	\$ 57,028,687	\$ 340,479,524	\$ (68,095,905)	225	1,397	69.9	\$ (4,191,000)	\$ (3,492,500)	\$ (3,492,500)	\$ (3,492,500)	\$ 150,393,888	418,586,507	487,380,912	487,380,912	487,380,912
2015	\$ 57,884,118	\$ 398,363,641	\$ (79,672,728)	225	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 175,421,437	489,246,350	569,730,078	569,730,078	569,730,078
2016		\$ 404,339,096	\$ (80,867,819)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 185,658,452	504,263,728	585,942,547	585,942,547	585,942,547
2017		\$ 410,404,182	\$ (82,080,836)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 196,049,021	519,506,367	602,398,203	602,398,203	602,398,203
2018		\$ 416,560,245	\$ (83,312,049)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 212,714,982	541,097,178	625,220,227	625,220,227	625,220,227
2019		\$ 422,808,649	\$ (84,561,730)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 229,630,932	563,011,851	648,384,581	648,384,581	648,384,581
2020		\$ 429,150,778	\$ (85,830,156)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 254,983,052	593,437,675	680,078,830	680,078,830	680,078,830
2021		\$ 435,588,040	\$ (87,117,608)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 274,044,090	617,648,522	705,577,130	705,577,130	705,577,130
2022		\$ 442,121,861	\$ (88,424,372)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 319,509,431	668,340,920	757,576,292	757,576,292	757,576,292
2023		\$ 448,753,689	\$ (89,750,738)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 319,509,431	673,646,382	764,208,120	764,208,120	764,208,120
2024		\$ 455,484,994	\$ (91,096,999)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 319,509,431	679,031,426	770,939,425	770,939,425	770,939,425
2025		\$ 462,317,269	\$ (92,463,454)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 324,302,073	689,289,888	782,564,341	782,564,341	782,564,341
2026		\$ 469,252,028	\$ (93,850,406)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 329,166,604	699,702,226	794,363,631	794,363,631	794,363,631
2027		\$ 476,290,808	\$ (95,258,162)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 334,104,103	710,270,749	806,339,911	806,339,911	806,339,911
2028		\$ 483,435,170	\$ (96,687,034)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 339,115,664	720,997,801	818,495,835	818,495,835	818,495,835
2029		\$ 490,686,698	\$ (98,137,340)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 344,202,399	731,885,758	830,834,097	830,834,097	830,834,097
2030		\$ 498,046,998	\$ (99,609,400)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 349,365,435	742,937,034	843,357,434	843,357,434	843,357,434
2031		\$ 505,517,703	\$ (101,103,541)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 354,605,917	754,154,079	856,068,620	856,068,620	856,068,620
2032		\$ 513,100,469	\$ (102,620,094)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 359,925,006	765,539,381	868,970,474	868,970,474	868,970,474
2033		\$ 520,796,976	\$ (104,159,395)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 365,323,881	777,095,461	882,065,857	882,065,857	882,065,857
2034		\$ 528,608,931	\$ (105,721,786)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 370,803,739	788,824,883	895,357,669	895,357,669	895,357,669
2035		\$ 536,538,065	\$ (107,307,613)	0	1,622	81.1	\$ (4,866,000)	\$ (4,055,000)	\$ (4,055,000)	\$ (4,055,000)	\$ 376,365,795	800,730,247	908,848,859	908,848,859	908,848,859
Total	\$ 398,363,641			1,622											

Note: (1) Senior Citizen Exemption projected @ 5% of total homes built
(2) City Senior exemption is \$60,000
(3) County Senior Exemption is \$50,000
(4) College Exemption is \$50,000 per home
(5) Hospital Senior Exemption is \$50,000 per home

SCHEDULE D

TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF ARLINGTON
Projected Zone Revenues (90% Participation / Composite Tax Rate of \$1.1631)

Tax Year	Coll. Year	90% of City Tax Rate	City Zone Collection	90% of County Tax Rate	County Zone Collection	90% of College Tax Rate	College Zone Collection	90% of Hospital Tax Rate	Hospital Zone Collection	Total Zone Revenues Available	5% Retained by City for Imputed Costs	Zone Revenue Available for Bonded Debt	Cumulative Zone Revenue for Bonded Debt	10% of City Tax Rate Retained by City	Total City Retained Revenue
2006	2007	\$ 0.5832	\$ -	\$ 0.2453	\$ -	\$ 0.12544	\$ -	\$ 0.2092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2007	2008	\$ 0.5832	\$ -	\$ 0.2453	\$ -	\$ 0.12544	\$ -	\$ 0.2092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	2009	\$ 0.5832	\$ 300,157	\$ 0.2453	\$ 136,585	\$ 0.12544	\$ 69,861	\$ 0.2092	\$ 116,486	\$ 623,088	\$ (15,008)	\$ 608,080	\$ 608,080	\$ (33,351)	\$ (48,359)
2009	2010	\$ 0.5832	\$ 708,583	\$ 0.2453	\$ 330,055	\$ 0.12544	\$ 168,818	\$ 0.2092	\$ 281,485	\$ 1,488,941	\$ (35,429)	\$ 1,453,512	\$ 2,061,592	\$ (78,731)	\$ (114,161)
2010	2011	\$ 0.5832	\$ 1,016,268	\$ 0.2453	\$ 484,383	\$ 0.12544	\$ 247,755	\$ 0.2092	\$ 413,103	\$ 2,161,509	\$ (50,813)	\$ 2,110,695	\$ 4,172,288	\$ (112,919)	\$ (163,732)
2011	2012	\$ 0.5832	\$ 1,339,535	\$ 0.2453	\$ 646,810	\$ 0.12544	\$ 330,835	\$ 0.2092	\$ 551,628	\$ 2,868,809	\$ (66,977)	\$ 2,801,832	\$ 6,974,120	\$ (148,837)	\$ (215,814)
2012	2013	\$ 0.5832	\$ 1,664,577	\$ 0.2453	\$ 810,378	\$ 0.12544	\$ 414,497	\$ 0.2092	\$ 691,126	\$ 3,580,577	\$ (83,229)	\$ 3,497,348	\$ 10,471,467	\$ (184,953)	\$ (268,182)
2013	2014	\$ 0.5832	\$ 1,994,551	\$ 0.2453	\$ 976,418	\$ 0.12544	\$ 499,425	\$ 0.2092	\$ 832,733	\$ 4,303,127	\$ (99,728)	\$ 4,203,400	\$ 14,674,867	\$ (221,617)	\$ (321,344)
2014	2015	\$ 0.5832	\$ 2,392,373	\$ 0.2453	\$ 1,171,396	\$ 0.12544	\$ 599,153	\$ 0.2092	\$ 999,018	\$ 5,161,939	\$ (119,619)	\$ 5,042,320	\$ 19,717,187	\$ (265,819)	\$ (385,438)
2015	2016	\$ 0.5832	\$ 2,796,219	\$ 0.2453	\$ 1,369,318	\$ 0.12544	\$ 700,387	\$ 0.2092	\$ 1,167,814	\$ 6,033,738	\$ (139,811)	\$ 5,893,927	\$ 25,611,115	\$ (310,691)	\$ (450,502)
2016	2017	\$ 0.5832	\$ 2,882,049	\$ 0.2453	\$ 1,408,284	\$ 0.12544	\$ 720,318	\$ 0.2092	\$ 1,201,046	\$ 6,211,696	\$ (144,102)	\$ 6,067,594	\$ 31,678,708	\$ (320,228)	\$ (464,330)
2017	2018	\$ 0.5832	\$ 2,969,166	\$ 0.2453	\$ 1,447,834	\$ 0.12544	\$ 740,547	\$ 0.2092	\$ 1,234,777	\$ 6,392,324	\$ (148,458)	\$ 6,243,865	\$ 37,922,574	\$ (329,907)	\$ (478,366)
2018	2019	\$ 0.5832	\$ 3,092,565	\$ 0.2453	\$ 1,502,686	\$ 0.12544	\$ 768,603	\$ 0.2092	\$ 1,281,556	\$ 6,645,410	\$ (154,628)	\$ 6,490,782	\$ 44,413,356	\$ (343,618)	\$ (498,247)
2019	2020	\$ 0.5832	\$ 3,217,815	\$ 0.2453	\$ 1,558,360	\$ 0.12544	\$ 797,080	\$ 0.2092	\$ 1,329,038	\$ 6,902,293	\$ (160,891)	\$ 6,741,402	\$ 51,154,758	\$ (357,535)	\$ (518,426)
2020	2021	\$ 0.5832	\$ 3,391,710	\$ 0.2453	\$ 1,634,535	\$ 0.12544	\$ 836,042	\$ 0.2092	\$ 1,394,004	\$ 7,256,292	\$ (169,585)	\$ 7,086,706	\$ 58,241,464	\$ (376,857)	\$ (546,442)
2021	2022	\$ 0.5832	\$ 3,530,084	\$ 0.2453	\$ 1,695,819	\$ 0.12544	\$ 867,388	\$ 0.2092	\$ 1,446,269	\$ 7,539,561	\$ (176,504)	\$ 7,363,057	\$ 65,604,520	\$ (392,232)	\$ (568,736)
2022	2023	\$ 0.5832	\$ 3,819,809	\$ 0.2453	\$ 1,820,797	\$ 0.12544	\$ 931,312	\$ 0.2092	\$ 1,552,856	\$ 8,124,774	\$ (190,990)	\$ 7,933,783	\$ 73,538,304	\$ (424,423)	\$ (615,414)
2023	2024	\$ 0.5832	\$ 3,850,132	\$ 0.2453	\$ 1,836,736	\$ 0.12544	\$ 939,465	\$ 0.2092	\$ 1,566,449	\$ 8,192,782	\$ (192,507)	\$ 8,000,276	\$ 81,538,579	\$ (427,792)	\$ (620,299)
2024	2025	\$ 0.5832	\$ 3,880,909	\$ 0.2453	\$ 1,852,914	\$ 0.12544	\$ 947,740	\$ 0.2092	\$ 1,580,247	\$ 8,261,811	\$ (194,045)	\$ 8,067,765	\$ 89,606,344	\$ (431,212)	\$ (625,258)
2025	2026	\$ 0.5832	\$ 3,939,540	\$ 0.2453	\$ 1,880,854	\$ 0.12544	\$ 962,031	\$ 0.2092	\$ 1,604,075	\$ 8,386,501	\$ (196,977)	\$ 8,189,524	\$ 97,795,868	\$ (437,727)	\$ (634,704)
2026	2027	\$ 0.5832	\$ 3,999,050	\$ 0.2453	\$ 1,909,213	\$ 0.12544	\$ 976,536	\$ 0.2092	\$ 1,628,261	\$ 8,513,061	\$ (199,953)	\$ 8,313,108	\$ 106,108,976	\$ (444,339)	\$ (644,291)
2027	2028	\$ 0.5832	\$ 4,059,453	\$ 0.2453	\$ 1,937,998	\$ 0.12544	\$ 991,259	\$ 0.2092	\$ 1,652,810	\$ 8,641,520	\$ (202,973)	\$ 8,438,547	\$ 114,547,523	\$ (451,050)	\$ (654,023)
2028	2029	\$ 0.5832	\$ 4,120,762	\$ 0.2453	\$ 1,967,214	\$ 0.12544	\$ 1,006,203	\$ 0.2092	\$ 1,677,727	\$ 8,771,905	\$ (206,038)	\$ 8,565,867	\$ 123,113,390	\$ (457,862)	\$ (663,901)
2029	2030	\$ 0.5832	\$ 4,182,991	\$ 0.2453	\$ 1,996,868	\$ 0.12544	\$ 1,021,371	\$ 0.2092	\$ 1,703,017	\$ 8,904,247	\$ (209,150)	\$ 8,695,097	\$ 131,808,487	\$ (464,777)	\$ (673,926)
2030	2031	\$ 0.5832	\$ 4,246,153	\$ 0.2453	\$ 2,026,967	\$ 0.12544	\$ 1,036,766	\$ 0.2092	\$ 1,728,687	\$ 9,038,573	\$ (212,308)	\$ 8,826,265	\$ 140,634,753	\$ (471,795)	\$ (684,102)
2031	2032	\$ 0.5832	\$ 4,310,262	\$ 0.2453	\$ 2,057,518	\$ 0.12544	\$ 1,052,392	\$ 0.2092	\$ 1,754,742	\$ 9,174,914	\$ (215,513)	\$ 8,959,401	\$ 149,594,154	\$ (478,918)	\$ (694,431)
2032	2033	\$ 0.5832	\$ 4,375,333	\$ 0.2453	\$ 2,088,527	\$ 0.12544	\$ 1,068,253	\$ 0.2092	\$ 1,781,188	\$ 9,313,301	\$ (218,767)	\$ 9,094,534	\$ 158,688,688	\$ (486,148)	\$ (704,915)
2033	2034	\$ 0.5832	\$ 4,441,380	\$ 0.2453	\$ 2,120,001	\$ 0.12544	\$ 1,084,351	\$ 0.2092	\$ 1,808,030	\$ 9,453,763	\$ (222,069)	\$ 9,231,694	\$ 167,920,383	\$ (493,487)	\$ (715,556)
2034	2035	\$ 0.5832	\$ 4,508,418	\$ 0.2453	\$ 2,151,947	\$ 0.12544	\$ 1,100,691	\$ 0.2092	\$ 1,835,275	\$ 9,596,333	\$ (225,421)	\$ 9,370,912	\$ 177,291,294	\$ (500,935)	\$ (726,356)
2035	2036	\$ 0.5832	\$ 4,576,462	\$ 0.2453	\$ 2,184,373	\$ 0.12544	\$ 1,117,277	\$ 0.2092	\$ 1,862,929	\$ 9,741,040	\$ (228,823)	\$ 9,512,217	\$ 186,803,512	\$ (508,496)	\$ (737,319)
			\$ 89,606,304		\$ 43,004,788		\$ 21,996,357		\$ 36,676,377	\$ 191,283,827	\$ (4,480,315)	\$ 186,803,512		\$ (9,956,256)	\$ (14,436,571)

Note: City Zone Collection + County Zone Collection + College Zone Collection + Hospital Zone Collection = Total Zone Revenues Available

5% of City Zone Collection = Amount Retained by City for Imputed Costs

Total Zone Revenues Available + City Imputed Costs = Zone Revenue Available for Bonded Debt

Amount Retained by City for Imputed Costs + 10% of City Tax Rate Retained by City = Total City Retained Revenue

SCHEDULE E

TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF ARLINGTON
Projected Application of Bond Proceeds and Other Revenues
Debt Service Coverage is Applied to Developer Reimbursement and Project Expenditure

Tax Year	Coll. Year	Covered Revenue Available for Bonded Debt	Debt Service	Application of Bond Proceeds				Bond Proceeds for Developer or Project			Revenue for Developer or Project			Zone Revenue Available after Bonds and Projects
				Total Bonded Debt	less: Reserve Fund	less: Costs of Issuance	Available for Projects	Developer Reimbursement	Developer Interest	Project Expenditure	Developer Reimbursement	Developer Interest	Project Expenditure	
2006	2007													
2007	2008													
2008	2009	\$ 405,387	\$ 405,387	\$ 4,844,528	\$ (405,387)	\$ (96,891)	\$ 4,342,251	\$ (1,447,361)	\$ (2,894,890)		\$ (202,693)			\$ 0
2009	2010	\$ 969,008	\$ 969,008	\$ 6,735,489	\$ (563,621)	\$ (134,710)	\$ 6,037,158	\$ (4,461,132)	\$ (1,576,026)		\$ (484,504)			\$ 0
2010	2011	\$ 1,407,130	\$ 1,407,130	\$ 5,235,726	\$ (438,122)	\$ (104,715)	\$ 4,692,889	\$ (3,333,883)	\$ (1,359,006)		\$ (703,565)			\$ 0
2011	2012	\$ 1,867,888	\$ 1,867,888	\$ 5,506,231	\$ (460,758)	\$ (110,125)	\$ 4,935,349	\$ (3,777,321)	\$ (1,158,028)		\$ (933,944)			\$ (0)
2012	2013	\$ 2,331,565	\$ 2,331,565	\$ 5,541,122	\$ (463,677)	\$ (110,822)	\$ 4,966,622	\$ (4,070,385)	\$ (896,236)		\$ (1,165,783)			\$ (0)
2013	2014	\$ 2,802,266	\$ 2,802,266	\$ 5,625,058	\$ (470,701)	\$ (112,501)	\$ 5,041,856	\$ (4,145,971)	\$ (895,885)		\$ (1,401,133)			\$ 0
2014	2015	\$ 3,361,547	\$ 3,361,547	\$ 6,683,615	\$ (559,280)	\$ (133,672)	\$ 5,990,662	\$ (5,580,703)	\$ (409,959)		\$ (1,680,773)			\$ 0
2015	2016	\$ 3,929,285	\$ 3,929,285	\$ 6,784,689	\$ (567,738)	\$ (135,694)	\$ 6,081,257	\$ (4,369,735)	\$ (240,335)	\$ (1,471,187)			\$ (1,964,642)	\$ 0
2016	2017	\$ 4,045,063	\$ 4,045,063	\$ 1,383,587	\$ (115,778)	\$ (27,672)	\$ 1,240,137		\$ -	\$ (1,240,137)			\$ (2,022,531)	\$ 0
2017	2018	\$ 4,162,577	\$ 4,162,577	\$ 1,364,065	\$ (117,514)	\$ (27,281)	\$ 1,219,269			\$ (1,219,269)			\$ (2,081,288)	\$ 0
2018	2019	\$ 4,327,188	\$ 4,327,188	\$ 1,851,228	\$ (164,611)	\$ (37,025)	\$ 1,649,593			\$ (1,649,593)			\$ (2,163,594)	\$ (0)
2019	2020	\$ 4,494,268	\$ 4,494,268	\$ 1,815,261	\$ (167,080)	\$ (36,305)	\$ 1,611,876			\$ (1,611,876)			\$ (2,247,134)	\$ 0
2020	2021	\$ 4,724,471	\$ 4,724,471	\$ 2,408,417	\$ (230,203)	\$ (48,168)	\$ 2,130,046			\$ (2,130,046)			\$ (2,362,235)	\$ 0
2021	2022	\$ 4,908,704	\$ 4,908,704	\$ 1,849,260	\$ (184,234)	\$ (36,985)	\$ 1,628,041			\$ (1,628,041)			\$ (2,454,352)	\$ 0
2022	2023	\$ 5,289,189	\$ 4,908,704	\$ 3,648,713	\$ (380,485)	\$ (72,974)	\$ 3,195,254			\$ (3,195,254)			\$ (3,025,079)	\$ 0
2023	2024	\$ 5,333,517	\$ 4,908,704										\$ (2,097,190)	\$ 994,381
2024	2025	\$ 5,378,510	\$ 4,908,704										\	\$ 3,159,061
2025	2026	\$ 5,459,682	\$ 4,908,704											\$ 3,280,819
2026	2027	\$ 5,542,072	\$ 4,908,704											\$ 3,404,404
2027	2028	\$ 5,625,698	\$ 4,503,317											\$ 3,935,229
2028	2029	\$ 5,710,578	\$ 3,939,696											\$ 4,626,171
2029	2030	\$ 5,796,731	\$ 3,501,574											\$ 5,193,523
2030	2031	\$ 5,884,177	\$ 3,040,816											\$ 5,785,449
2031	2032	\$ 5,972,934	\$ 2,577,139											\$ 6,382,262
2032	2033	\$ 6,063,023	\$ 2,106,438											\$ 6,988,096
2033	2034	\$ 6,154,463	\$ 1,547,158											\$ 7,684,537
2034	2035	\$ 6,247,274	\$ 979,419											\$ 8,391,492
2035	2036	\$ 6,341,478	\$ 863,642											\$ 8,648,576
		\$ 124,535,674	\$ 91,339,069	\$ 61,276,989	\$ (5,289,189)	\$ (1,225,540)	\$ 54,762,260	\$ (31,186,491)	\$ (9,430,367)	\$ (14,145,403)	\$ (6,572,395)	\$ -	\$ (20,418,045)	\$ 68,474,003
		\$ -		\$ -			\$ -			\$ -				\$ -

Bond Rate	5.5%
Bond Years	20.00
Coverage	1.50
Issuance Costs	2.0%

Dev Rate	5.5%
Dev Years	5.00

(37,758,886)

\$ (34,563,448)

Executive Summary

Volume I: Final Report
**Economic Analysis
for
Lakes of Arlington**

Prepared for
**City of Arlington & Credit Suisse/First
Boston**
Arlington, TX

Submitted by
Economics Research Associates
Los Angeles & Washington, DC

March 2002

ERA Project No. 14331

Executive Summary

Introduction

Economics Research Associates (ERA) was retained by the City of Arlington, Texas in October 2001 to determine the fiscal and economic impacts of alternative development scenarios for the *Lakes of Arlington* site, a parcel containing approximately $\pm 1,800$ gross acres and located on the northern edge of the City of Arlington. As part of this assignment, ERA completed the following tasks:

- Analyzed and tested market potentials for the site;
- Defined a range of land use scenarios consistent with site and market characteristics;
- Evaluated the economics of each of six development scenarios from the standpoint of the landowner/developer;
- Evaluated the economic and fiscal impacts on the City of Arlington from these six scenarios; and
- Identified key issues and requirements pertaining to development.

The objective of this study was to test specific land use scenarios with the understanding that the eventual development of the property may be a combination of the land uses presented in these scenarios. It is not an objective of this study to recommend zoning for the site, to identify a specific highest and best economic use of the site, or to make final recommendations regarding infrastructure improvements or City policy.

ERA was assisted during our work by various City department staff, including both Transportation and Planning. We also coordinated our research and analysis with representatives from Credit Suisse/First Boston, the current property owner of the *Lakes of Arlington* site. Concurrently, the City of Arlington retained Turner Colley Braden (TCB) of Fort Worth to conduct preliminary studies of traffic and related transportation issues.

Market Overview

The following summarizes key market conditions in Arlington for housing, commercial office, retail, hotel and industrial uses.

Housing

- Arlington has averaged 1,800 housing starts annually over the past decade; only about 20 starts per year (roughly 1% of the City's total) are priced over \$300,000.
- Appropriate locations for luxury housing on the *Lakes of Arlington* site would be adjacent to the Trinity River to provide visual appeal and amenity value and to separate housing from potential incompatible uses such as industrial and the City's landfill to the north and west;

Office

- The North Arlington submarket contains approximately 2.8 million sq. ft. of office inventory; annual absorption in recent years has averaged approximately 60,000 sq. ft. per year, or roughly 10% of Tarrant County's total annual absorption. In our judgment, potential exists to substantially increase North Arlington's share of absorption of speculative office space.
- However, significant penetration of the speculative office market for high quality development at the *Lakes of Arlington* site will require significant improvements to site accessibility and exposure to the regional freeway system.

Industrial

- Arlington and the Great Southwest industrial complex are major industrial centers for the entire Dallas/Fort Worth metropolitan area. In fact, the City's industrial inventory totals more than 82 million sq. ft. of space, and average annual absorption of all industrial space (primarily bulk warehouse & distribution) has been in excess of 1.5 million sq. ft. annually over the past several years, which is one of the largest in Tarrant County.

Retail

- Arlington contains over nine-million sq. ft. of retail space, serving as a regional retail destination, with far more than the average level of retail space on a per capita basis than other communities in the Metroplex.
- Conventional retail opportunities will emerge along Collins Street over the coming decade, which offers significant frontage, visibility and high traffic counts. Development of a significant entertainment-oriented retail component would, in our judgment, require a direct connection to the freeway system (such as State Highway 360) or other major access improvements.

Hotel

- The Arlington hotel market contains a total of 21,000 rooms, with an average of 225 new hotel rooms constructed annually in the City over the past 20 years.

However, currently market conditions are soft, with average occupancies in the range of 60% to 65% depending on product.

- New hotel development at the *Lakes of Arlington* site will likely be driven by demand generated by on-site commercial and industrial uses.

Development Scenarios

As illustrated in Table 1, in addition to the program proposed by Credit Suisse, five other scenarios were formulated for market, economic and fiscal testing. We note that the property owner's consultants estimate that approximately 785 acres of the 1,800-acre site are considered usable or developable. These scenarios include:

Credit Suisse Industrial

- ERA tested this scenario on behalf of the property owner. For discussion purposes with the City, Credit Suisse has proposed an industrial complex containing approximately 10 million sq. ft. of distribution and bulk warehouse space, 2 million sq. ft. of flex-technology space, and 930,000 sq. ft. of other commercial uses such as office and retail. This scenario uses all of the available developable acreage.

The Lakes Modified

- *The Lakes Modified* is a variation of the original development proposed for the site by the previous property owner. This scenario contains 700 luxury and upper-end housing units and 1.4 million sq. ft. of other commercial (office, retail and hotel) and industrial uses. With housing, gross building area totals 4 million sq. ft.

Business Center #1

- This scenario (and others that follow) is designed to meet the City's objective of creating a mixed-use employment center on the site. This scenario contains a mix of uses, including a gross building area of 4.4 million sq. ft. of office, warehouse & distribution, flex-technology, retail and hotel uses.

Business Center #2

- At the request of the property owner, a second scenario similar to *Business Center #1* was tested. However, *Business Center #2* contains an additional 4.5 million sq. ft. of bulk warehouse & distribution space. In total, this scenario contains almost 9 million sq. ft. of gross building area, thus using the entire theoretical *usable* area of the site.

TABLE 1
DEVELOPMENT SCENARIOS
Lakes of Arlington EIA

PROGRAM		SCENARIO				
	Credit Suisse Industrial	The Lakes Modified	Business Center #1	Business Center #2	Mixed Use	Transit Center
RESIDENTIAL						
Single-family Detached (Luxury)	-	300	-	-	125	100
Single-family Detached (Upper)	-	400	-	-	250	200
Single-family Detached (Moderate)	-	-	-	-	-	500
Multi-family	-	-	-	-	400	600
Subtotal:	-	700	-	-	775	1,400
OFFICE						
Speculative (Multi-tenant)	400,000	300,000	1,000,000	1,000,000	1,200,000	1,000,000
INDUSTRIAL						
Distribution & Bulk Warehouse	10,000,000	-	1,000,000	5,500,000	3,000,000	-
Flex/Technology	2,000,000	400,000	1,500,000	1,500,000	1,500,000	900,000
RETAIL						
Other Retail	350,000	400,000	500,000	500,000	500,000	400,000
Lifestyle/Entertainment	-	250,000	150,000	150,000	275,000	250,000
Subtotal:	350,000	650,000	650,000	650,000	775,000	650,000
HOTEL						
Supportable Hotel Rooms	240	110	360	390	440	340
Estimated Sq. Ft. @ 750 Sq. Ft./Room	180,000	83,000	270,000	293,000	330,000	255,000
TOTAL PROGRAM (In Sq. Ft., Includes Housing):		3,983,000	4,420,000	8,943,000	8,557,500	5,515,000
Parcel Acres Utilized (Excludes Circulation & Open Space)		793	379	273	549	585
						421

SOURCE: ECONOMICS RESEARCH ASSOCIATES, REVISED MARCH 2002.

Mixed-Use

- Similar to *Business Center #1* but with luxury and upper-end residential and multi-family housing, the *Mixed-Use* scenario also contains a larger warehouse component of three million sq. ft. and a 275,000 sq. ft. entertainment-retail complex. With housing, gross building area totals 8.5 million sq. ft.

Transit Center

- This scenario considers the positive impacts on marketability of the site for a mix of uses with a TRE Commuter Rail station on the north end of the site. Uses tested include 800 single-family detached homes across luxury, upper-end and moderate price points; 600 high quality, multi-family apartments; speculative office space, flex-technology space and a retail component designed to include an entertainment complex. In addition, on-site commercial and industrial uses should support up to 340 hotel rooms. With housing, gross building area totals 5.5 million sq. ft.

Market Penetration

Successful absorption of any of the uses in most of these alternatives would, in our judgment, require significant improvements to site accessibility, with the possible exception of the Lakes Modified scenario, an alternative that involves marketability issues regardless of access improvements.

For example, absorbing the Credit Suisse Industrial program in a typical 10-year development (or holding) period would require achieving approximately 80% of the historical industrial market activity in Arlington/Great Southwest for warehouse & distribution and flex-technology space. The Mixed-Use scenario requires a 67% capture of the historical flex-technology absorption in Tarrant County.

While ERA believes that some level of industrial space could be absorbed without major access improvements, the rate of absorption would be greatly enhanced through improved access to the east and/or north and south.

As noted, ERA submits that achieving significant penetration of the speculative office market for high quality development and for a destinational entertainment complex will require a direct (bridge) connection to State Highway 360 to the east.

Economic Viability

Based on the analysis of market conditions presented in Section 3 of this report, a basic developer's economic model was created for each scenario. These models (which are detailed in Tables 10 through 16 in Section 5 of the report), estimate

development costs, attainable building sales revenues and residual site values using market-based inputs. Table 2 summarizes these estimates.

The **residual land value** for the various scenarios represents the total estimated value of improved sites with these uses that would be realized over the entire development period. Attaining these values assumes that all off-site and major “backbone” infrastructure improvements have been provided. The results of the economic viability models are highlighted below:

- The model estimates total development costs, which includes hard building construction costs; in-tract site improvements such as local streets, local utilities, parking and landscaping; and indirect costs for marketing, financing and the like. ERA estimates total development costs ranging from a high of almost \$1 billion for the *Credit Suisse Industrial* scenario to a minimum of \$400 million for the *Lakes Modified* program. Costs are expressed in current dollar values and would be adjusted by inflation over the development period.
- Total residual land value reflects our estimate of the supportable value of development sites **over time**. These estimates range from \$60 million for both *Business Center #1* and the *Lakes Modified* to roughly \$80 million for *Business Center #2*, *Credit Suisse Industrial* and the *Transit Center* scenarios. ERA estimates that the *Mixed-Use* scenario could generate potential residual site values of close to \$99 million at buildout.

Table 2 also identifies the estimated **present value** of these total land sales revenue streams based on a 12% discount rate and assuming a common 12-year absorption period. ERA notes that, depending upon access and other infrastructure improvements, the required absorption period for each of these scenarios is likely to vary. For purposes of this analysis, however, ERA applied similar present value assumptions to all six alternatives to enable a more comparable analysis.

- On this basis, the present value of future land sales values ranges from \$30 million for the *Lakes Modified* and *Business Center #1* to slightly over \$40 million for *Credit Suisse Industrial*, *Business Center #2* and the *Transit Center* alternatives. The *Mixed-Use* scenario generates the highest present value, estimated at more than \$51 million.

ERA emphasizes that the variation in present values is due, in part, to differing assumptions regarding the intensity of uses between each scenario. Intensity of use may be limited based on traffic access and capacity as well as off-site improvements. Moreover, these present land values assume that the necessary off-site and backbone infrastructure improvements have been provided. Therefore, the developer’s share of those costs would be subtracted from these residual values.

TABLE 2
SUMMARY OF RESIDUAL VALUE (Before Infrastructure Costs)
Lakes of Arlington EIA

14-Mar-02	SCENARIO					
	Credit Suisse Industrial	The Lakes Modified	Business Center #1	Business Center #2	Mixed Use	Transit Center
Development Program (In Sq. Ft.)						
Total Development Costs (In-tract or On-site)	\$ 57,817,500	\$ 282,276,938	\$ 79,334,750	\$ 79,338,688	\$ 232,164,000	\$ 281,907,125
TOTAL RESIDUAL LAND VALUE:	\$ 8,682,500	\$ 48,873,063	\$ 15,665,250	\$ 15,661,313	\$ 37,450,423	\$ 46,758,260
Present Value Analysis (At 12% Discount for 12 Years)	\$ 4,481,888	\$ 25,228,170	\$ 8,086,368	\$ 8,084,336	\$ 19,331,828	\$ 24,136,513

SOURCE: ECONOMICS RESEARCH ASSOCIATES, REVISED MARCH 2002.

Infrastructure Improvements

The chart below illustrates estimates prepared by the City of Arlington Transportation Department of the cost of infrastructure improvements that *may* be required to enable development of the various scenarios. On-site components include the estimated costs of backbone facilities within the site itself, such as:

- A road extending from Collins Street/Highway 157 to the northeast corner of the site and connecting to Trinity Boulevard with a tunnel beneath the TRE rail line ("Missy Cain");
- A main road extending across the site along the south-central portion of the property from Highway 157 to the river; and
- A north-south arterial on the center portion of the property extending from Trinity Boulevard following Eules South Main, underneath the TRE rail line at the existing underpass, south to the vicinity of the riverbank.

In addition to backbone, on-site grading costs are estimated at approximately \$10 million; in sum, total on-site costs are in the range of **\$32 million**. ERA notes that this estimate **does not include** the costs associated with any bridge connections over the Trinity River.

Estimated Infrastructure Costs

On-Site Components (In Current Dollars)

Missy Cain (4 lanes, Highway 157 to Trinity)	\$ 9 Million
Post & Paddock (4 lanes, Highway 157 to River)	\$ 4 Million
Ballpark Way/Eules Main (4 lanes, Trinity to River)	\$ 7 Million
Grading/Site Preparation	\$10 Million +/-
Utility Backbone	<u>\$ 2 Million</u>
Subtotal – On-site Components:	\$32 Million +/-

Off-Site Components (In Current Dollars)

Intersection Improvements (Net—Caused)	\$ 5 Million +/-
Ballpark Way Bridge (6 lanes)	\$37 Million
Post & Paddock Bridge—360 Connector (6 lanes)	\$60 Million

Other (Needed Regardless) (In Current Dollars)

Green Oaks Boulevard Widening	\$ 8.2 Million
Intersection Improvements	\$ 4.4 Million

Off-site components include the following:

- A six-lane bridge across the Trinity River on the Ballpark Way alignment at an estimated cost of \$37 million. While the cost of a four-lane bridge in this location was not estimated, ERA believes that it would probably cost in excess of \$25 million; and/or
- A six-lane bridge connecting the site directly with the regional freeway system (SH 360) via Post & Paddock would require a bridge of 6,000 or more feet in length at an estimated cost of \$60 million. A narrower bridge connection (four lanes) would probably cost in the range of \$40 to \$45 million.

Other off-site improvements that may be required include:

- An estimated \$5 million of surface street and intersection improvements caused by on-site development. (We note that these improvements are in addition to other street improvements undertaken regardless of on-site development at the *Lakes of Arlington* site).

Implications for Development

Assuming that the costs to build a *four-lane* connection to State Highway 360 at Post & Paddock are \$40 million, plus off-site intersection improvements and on-site components, total infrastructure development costs are estimated at **\$77 million**. These costs far exceed the present value of land sales under any of the six alternatives tested in this study.

By comparison, the cost to build a four-lane bridge across the Trinity River at Ballpark Way plus infrastructure costs total **\$62 million**. Similarly, these costs also exceed any of the present values and, in our view, would not provide sufficient exposure to the regional freeway system to enable development of the more intensive mixed-use (office and retail/entertainment) development concepts.

Fiscal Impacts

Table 3 summarizes the economic and fiscal impacts of the six alternatives, based on the methodologies and assumptions set forth in Section 6 of this report.

Despite varying characteristics and uses among the alternatives, **all would generate an annual surplus to the City's General Fund at full buildout**. For most alternatives, annual revenues accruing to the City are roughly double projected service costs. The net projected surplus ranges from a maximum of

TABLE 3
SUMMARY OF ECONOMIC & FISCAL IMPACTS
Lakes of Arlington EIA

	SCENARIO					
	Credit Suisse Industrial	The Lakes Modified	Business Center #1	Business Center #2	Mixed Use	Transit Center
Direct Annual Impacts						
General Fund Revenues	\$ 6,742,926	\$ 4,313,090	\$ 5,155,451	\$ 6,819,566	\$ 7,548,916	\$ 5,755,888
General Fund Expenditures	(3,899,327)	(1,416,499)	(2,456,613)	(3,501,719)	(3,727,321)	(2,809,517)
General Fund Net Surplus:	\$ 2,843,599	\$ 2,896,591	\$ 2,698,839	\$ 3,317,847	\$ 3,821,595	\$ 2,946,371
Transient Occupancy Taxes	472,164	216,409	708,246	767,267	865,634	668,899
HEB Ind. School District Surplus	16,248,182	4,227,240	8,194,359	13,123,947	11,616,786	5,921,662
TOTAL:	\$ 19,563,945	\$ 7,340,240	\$ 11,601,444	\$ 17,209,061	\$ 16,304,014	\$ 9,536,932
Other Impacts						
Impact Fees (One-time Only)	\$ 9,708,697	\$ 6,729,562	\$ 7,407,223	\$ 9,829,344	\$ 12,848,746	\$ 12,305,212
On-site Employment	16,868	3,802	10,627	15,148	13,996	8,463
Average On-site Employee Wages	\$ 36,021	\$ 41,005	\$ 45,366	\$ 40,592	\$ 43,243	\$ 47,149
Gross Economic Activity to City at Buildout (In \$000s):	\$ 110,846	\$ 37,489	\$ 79,786	\$ 105,787	\$ 107,979	\$ 73,729

SOURCE: ECONOMICS RESEARCH ASSOCIATES, REVISED MARCH 2002.

approximately \$3.7 million per year for the most intensive scenario, *Business Center #2*, to a low of \$2.7 million per year for *Business Center #1*.

ERA notes that all scenarios generate a major surplus to the HEB Independent School District (ISD) from ad valorem taxes, since most uses are predominantly non-residential and because of the very high average home values assumed for the *Lakes Modified* project.

In fact, the annual surplus calculated for the school district (at buildout) ranges from a low of \$4.2 million for the *Lakes Modified* to a high of \$15.9 million for the *Credit Suisse Industrial* scenario. These surpluses are based on current tax rates in Arlington, and would probably result in some downward adjustment to tax rates, but with an equivalent homeowner benefit from reduced tax rates.

Table 3 also summarizes other impact measures as well, including:

- One-time impact fees ranging from \$7 to \$12 million over the entire development (holding) period;
- On-site employment ranging from 3,800 for the *Lakes* to a high of 16,000 for the *Credit Suisse* scenario;
- Average wages of on-site employment vary significantly with three scenarios (*Business Centers*, *Mixed-Use* and *Transit Center*) because the relatively high amount of office space provides varied and substantially higher average wage jobs. By contrast, average wages are lower in the *Credit Suisse Industrial* scenario because of the focus on warehouse & distribution employment.

The final measure illustrated in Table 3 is a measure of **gross economic activity** deriving from the project within the City of Arlington. This is a function of retail spending, tax activity, payrolls, housing purchases and the like. All basic impacts would be generated in a generally linear fashion over the development period, achieving indicated levels at completion (i.e., buildout).

Traffic Assumptions

A key issue facing site development at the *Lakes of Arlington* is the level of road improvements necessary to enable some level of ultimate development intensity and still provide acceptable levels of traffic flow.

It is a preliminary conclusion of the City's Transportation Department, based on the independent traffic analyses conducted by TCB, that at least one bridge connection, either at Ballpark Way or Post & Paddock, would be the most effective way to provide adequate traffic flow for any of the alternatives. However, there may be means to adequately serve some of the least intensive alternatives by more

extensive off-site improvements to Collins Street/157, Trinity Boulevard, Green Oaks Boulevard and/or elsewhere, although this might involve grade-separated intersections and nearly comparable costs.

The second principal issue is whether the City wishes to share in the costs of funding any of the bridges and/or other road improvements to enhance development potentials at the *Lakes of Arlington* site.

General & Limiting Conditions

Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible. These data are believed to be reliable. This study is based on estimates, assumptions and other information developed by Economics Research Associates from its independent research effort, general knowledge of the market and the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or any other data source used in preparing or presenting this study.

No warranty or representation is made by Economics Research Associates that any of the projected values or results contained in this study will actually be achieved. Possession of this study does not carry with it the right of publication thereof or to use the name of "Economics Research Associates" in any manner without first obtaining the prior written consent of Economics Research Associates. No abstracting, excerpting or summarizing of this study may be made without first obtaining the prior written consent of Economics Research Associates. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person, other than the client, without first obtaining the prior written consent of Economics Research Associates. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from Economics Research Associates.

This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.